

**Department of Justice
U.S. Attorney's Office**

FOR IMMEDIATE RELEASE

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Chinese National Sentenced for Stealing Trade Secrets Worth \$1 Billion

A former associate scientist was sentenced to 24 months in federal prison in federal court today for stealing proprietary information worth more than \$1 billion from his employer, a U.S. petroleum company.

In November 2019, Tan [pleaded guilty](#) to theft of a trade secret, unauthorized transmission of a trade secret, and unauthorized possession of a trade secret. From June 2017 until December 2018, Tan was employed as an associate scientist at the petroleum company and was assigned to work in a group with the goal of developing next generation battery technologies for stationary energy storage, specifically flow batteries. In his plea agreement, Tan admitted to intentionally copying and downloading the technologies' research and development materials without authorization from his employer.

"This investigation and prosecution uncovered another instance of China's persistent attempts to steal American intellectual property," said Assistant Attorney General for National Security John C. Demers. "The department of justice will continue to confront this type of illicit behavior to safeguard American industry and protect American jobs."

"American ingenuity inspires advances in science and technology and drives world markets. Nowhere is that more true than in Oklahoma's energy industry. Unscrupulous individuals like Hongjin Tan seek to steal American trade secrets to take home to China so they can replicate our technology," said U.S. Attorney Trent Shores for the Northern District of Oklahoma. "United States Attorneys from coast stand ready to combat China's economic aggression that criminally threatens American industry."

"American companies invest heavily in advanced research and cutting-edge technology. Trade secret theft is detrimental to our national security and free-market economy. It takes profits away from companies and jobs away from hard working Americans," said Melissa Godbold, Special Agent in Charge of the FBI Oklahoma City Field Office. "The sentencing of Hongjin Tan underscores the FBI's commitment to protecting our country's industries from adversaries who attempt to steal valuable proprietary information."

According to the plea agreement, Tan used a thumb drive to copy hundreds of files containing the proprietary information on Dec. 11, 2018. He subsequently turned in his resignation and was escorted from the premises on Dec. 12, 2018. Later that day, he returned the thumb drive, claiming that he had forgotten to do so before leaving his employer's property. Upon examination, it was discovered that there was unallocated space on the thumb drive, indicating five documents had previously been deleted. Investigators with the FBI searched Tan's premises and found an external hard drive. They discovered that the same five missing files from the thumb drive had been downloaded to the hard drive. Tan maintained the files on a hard drive so

he could access the data at a later date. Further accessing the material would have been financially advantageous for Tan but caused significant financial damage to his Oklahoma employer.

U.S. District Judge Gregory K. Frizzell sentenced Hongjin Tan, 36, a Chinese National and U.S. legal permanent resident, to 24 months in federal prison and ordered the defendant to pay \$150,000 in restitution to his former employer. Following his release from prison, Tan will spend three years on supervised release.

Tan was remanded into the custody of the U.S. Marshals Service until transfer to a U.S. Bureau of Prisons Facility.

The FBI and U.S. Immigration and Customs Enforcement's Homeland Security Investigations conducted this investigation. Assistant U.S. Attorney Joel-lyn A. McCormick of the Northern District of Oklahoma and Trial Attorney Matthew J. McKenzie of the National Security Division's Counterintelligence and Export Control Section (CES) are prosecuting the case, with assistance from Trial Attorney Matthew R. Walczewski and Assistant Deputy Chief Brian J. Resler of the Criminal Division's Computer Crimes and Intellectual Property Section (CCIPS).